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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/977,128	10/12/2001	Victor B. Goodman	FIL1-BO98	2425
21611	7590	04/22/2004	EXAMINER	
SNELL & WILMER LLP 1920 MAIN STREET SUITE 1200 IRVINE, CA 92614-7230			BROWN, TIMOTHY M	
			ART UNIT	PAPER NUMBER
			1648	

DATE MAILED: 04/22/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No. 09/977,128	Applicant(s) GOODMAN ET AL.	
	Examiner Tim Brown	Art Unit 1648	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
 - If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
 - If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
 - Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 16 December 2003.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-10 and 12-15 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-10 and 12-15 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

This Non-Final Office Action is responsive to Applicants' reply mailed December 16, 2003. Applicant's argument that neither Arnold nor Wilf teach or suggest having the originating web page send a percentage of the funds collected to the merchant is persuasive. The rejection of claims 1-15 under 103(a) as being obvious over Arnold in view of Wilf is accordingly withdrawn.

Claim Rejections - 35 USC § 103

The text of those sections of Title 35, U.S. Code not included in this action can be found in a prior Office action.

Claims 1, 2, 6, 8, 10, 12 and 14 are rejected under 35 U.S.C. 103(a) as being unpatentable over Arnold in view of "ASTA" ("Credit Crunch: ASTA hopes to encourage operators to pay timely commissions on credit card bookings" Travel Agent (May 2, 1994)).

Regarding Claims 1, 2, 10 and 14, Arnold teaches a method for performing transactions over the Internet comprising the steps of:

providing a host web site capable of routing web users from the host web site to other web sites (Abstract; Figs. 1A-B, 25; col. 4, lines 8-18; and col. 5, lines 41-55);

providing software to be installed on the vendor web site to recognize when a customer has been routed to the vendor web site from the host web site (Abstract; col. 5, lines 64-67; col. 6, lines 1, 57-59; and col. 14, lines 8-11);

requesting and obtaining customer's payment information by the vendor web site after an affirmative act by the customer is made to make a purchase on the vendor's web site (Abstract; Fig. 27; col. 11, lines 58-67; and col. 14, lines 46-50); and

fulfilling the customer's purchase request by the vendor web site (Abstract).

Arnold does not expressly teach:

arranging with a cooperating vendor web site to accept payment from the host web site in return for the vendor web site's fulfillment of a customer purchase request made by a customer routed to the vendor web site via the host web site;+

transferring customer's payment information from the vendor web site to the host web site when the software on the vendor web site has determined that the customer has been routed to the vendor web site from the host web site;

collecting the funds for the transaction by the host web site using the customer's payment information transferred in the preceding step; and

transferring a percentage of the funds collected by the host web site to the vendor web site upon completion of the preceding.

However, ASTA teaches receiving by a sales agent a payment for a commercial transaction with a vendor, deducting by the sales agent a percentage of the payment as a commission for completing the sale, and forwarding the remainder of the payment to

the vendor for fulfilling the transaction (p. 2). It is well within the knowledge generally available to one skilled in the art that brick and mortar commission schemes and sales programs are equally applicable to sales conducted in an online environment. Thus, at the time of Applicants' invention, it would have been obvious to modify Arnold's method to include the teachings of ASTA. Such a combination would ensure that referring affiliates are is paid the proper commission for sales completed by a vendor partner.

Regarding Claim 6, Arnold teaches the step of creating a modified URL of the vendor's web site to distinguish customers routed from the host web site from customers not routed from a host web site (Abstract; col. 5, lines 65-67; col. 6, lines 1, 57-59; and col. 11, lines 8-11).

Regarding Claims 8 and 12, Arnold teaches wherein the host site system further comprises a database system storing information collected from the vendor site (col. 5, lines 41-46; and col. 10, lines 41-52).

Claims 3, 9 and 13 are rejected under 35 U.S.C. 103(a) as being unpatentable over Arnold in view of ASTA and further in view of Official Notice.

Regarding Claim 3, Arnold and ASTA teach all the limitations discussed under Claim 2. Arnold and ASTA do not expressly teach *wherein the step of fulfilling a customer's purchase request comprises the act of shipping a product to the customer*. However, the Examiner takes Official Notice that shipping a product, by a vendor, pursuant to an online transaction, is old and well known in the Internet commerce art. Moreover, Arnold discloses a vendor sending an ordered item to a

customer (col. 14, lines 37-41). Therefore, at the time of Applicants' invention, it would have been obvious to one of ordinary skill in the art to modify Arnold and ASTA to include *wherein the step of fulfilling a customer's purchase request comprises the act of shipping a product to the customer* as this combination would provide a means for delivering products that are incapable of being delivered over a network.

Regarding Claims 9 and 13, Arnold and ASTA teach all the limitations discussed under Claims 1 and 10. Arnold and ASTA do not expressly teach *the step of tracking the status of each transaction, where the status can be obtained by commands on the host web site*. However, the Examiner takes Official Notice that providing order tracking, by an online vendor, is old and well known in the Internet commerce art. Therefore, at the time of Applicants' invention, it would have been obvious to one of ordinary skill in the art, to modify Arnold and ASTA to include *the step of tracking the status of each transaction, where the status can be obtained by commands on the host web site*. This combination would provide a value-added service in that users would be permitted to determine an anticipated delivery date for an ordered product.

Claims 4, 5, 7 and 15 are rejected under 35 U.S.C. 103(a) as being unpatentable over Arnold in view of ASTA and further in view of Bezos et al. (U.S. Pat. No. 6,029,141) ("Bezos").

Regarding Claim 4, Arnold and ASTA teach all the limitations discussed under Claim 1. Arnold does not expressly teach *a step for storing information with respect to a plurality of transactions*. However, Bezos teaches accounting software for keeping track of payments that are due to an affiliate partner (col. 7, lines 20-40; and col. 16, lines 9-41). At the time of Applicants' invention, it would have been obvious to one of ordinary skill in the art, to modify Arnold and ASTA to include *a step for storing information with respect to a plurality of transactions*. The motivation to implement this combination would be to create a transaction record for sales resulting from the host site's referral service.

Regarding claim 5, Arnold and ASTA teach all the limitations discussed under Claim 1. Arnold and ASTA do not expressly teach *wherein the step of providing software to be installed on the vendor web site to recognize when a customer has been routed to the vendor web site from the host web site comprises the recognition of a cookie placed on the customer's computer by the host web site*. However, Bezos teaches a method for hosting an Internet affiliate program wherein users that are referred to a vendor are identified by an Internet cookie (Abstract; and col. 5, lines 5-60). At the time of Applicants' invention, it would have been obvious to one of ordinary skill in the art, to modify Arnold and ASTA to include *wherein the step of providing software to be installed on the vendor web site to recognize when a customer has been routed to the vendor web site from the host web site comprises the recognition of a cookie placed on the customer's computer by the host web site*

as taught by Bezos. The benefit of this combination would be to provide another means for identifying users that have been referred by the host site.

Regarding Claim 7, Arnold and ASTA teach all the limitations discussed under Claim 1. Arnold and ASTA do not expressly teach *the step of generating a report indicating funds owed to vendor web sites by the host web site*. However, Bezos teaches accounting software for keeping track of payments that are due to an affiliate partner as well as generating reports based on affiliate traffic (col. 7, lines 20-40; and col. 16, lines 9-41). At the time of Applicants' invention, it would have been obvious to one of ordinary skill in the art, to modify Arnold and ASTA to include *the step of generating a report indicating funds owed to vendor web sites by the host web site*. The motivation to implement this combination would be to provide a record of funds owed to online vendors.

Regarding claim 15, Arnold and ASTA teach all the limitations discussed under Claims 1 and 14. Arnold and ASTA do not expressly teach *wherein the host system sends the portion of the payment to the vendor system after confirmation that the transaction has been executed*. However, Bezos teaches crediting an affiliate partner upon the completion of a sale (col. 7, lines 30-34). Although Bezos does not expressly teach the host system sending a portion of the payment to the vendor, ASTA overcomes this deficiency as noted under claim 1. At the time of Applicants' invention, it would have been obvious to one of ordinary skill in the art, to modify Arnold and ASTA to include *wherein the host system sends the portion of the payment to the vendor system after confirmation that the transaction has been executed*. The benefit of this

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combination would be to ensure the vendor's performance pursuant to the terms of the online transaction.

Conclusion

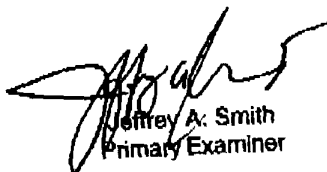
Any inquiry concerning this communication or earlier communications from the examiner should be directed to Tim Brown whose telephone number is (571) 272-0773. The examiner can normally be reached on Monday - Friday, 8am - 5pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Housel can be reached on (571) 272-0902. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Tim Brown
Examiner
Art Unit 1648

tmb



Jeffrey A. Smith
Primary Examiner